IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

| NEXTCARD, LLC, Plaintiff, v. CHASE BANK USA, N.A., CITIBANK (SOUTH DAKOTA), N.A., CAPITAL ONE BANK (USA), N.A., WELLS FARGO FINANCIAL, INC., ZIONS FIRST NATIONAL BANK, N.A., THE HARRIS BANK, N.A. | \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ |
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| Defendants. | § § |

PLAINTIFF'S REPLY TO ORIGINAL COUNTERCLAIMS OF DEFENDANT CHASE BANK USA, N.A.

Plaintiff NextCard, LLC ("Plaintiff") files this Reply to the Original Counterclaims of Defendant Chase Bank USA, N.A. ("Chase Bank" or "Defendant") as follows. All allegations not expressly admitted are denied.

REPLY TO CHASE BANK'S ORIGINAL COUNTERCLAIMS

Plaintiff makes the following reply to the specific allegations in Defendant's Counterclaims:

- 1. Plaintiff admits the allegations in paragraph 1.
- 2. Plaintiff admits the allegations in paragraph 2.

JURISDICTION AND VENUE

- 3. The allegations in the first sentence of paragraph 3 are legal conclusions to which no response is required; however, to the extent that the first sentence of paragraph 3 of the Counterclaim contains any factual allegation to which Plaintiff must respond, Plaintiff admits the same. Regarding the second sentence of paragraph 3, Plaintiff admits that Defendant is bringing counterclaims for declaratory judgment, but denies that those counterclaims have any merit. All allegations in paragraph 3 not expressly admitted are denied.
- 4. The allegations in paragraph 4 are legal conclusion to which no response is required; however, to the extent that paragraph 4 of the Counterclaim contains any factual allegation to which Plaintiff must respond, Plaintiff admits the same.
- 5. The allegations in paragraph 5 are legal conclusion to which no response is required; however, to the extent that paragraph 5 of the Counterclaim contains any factual allegation to which Plaintiff must respond, Plaintiff admits the same.
 - 6. Plaintiff admits the allegations in paragraph 6.
- 7. The allegations in paragraph 7 are legal conclusion to which no response is required; however, to the extent that paragraph 7 of the Counterclaim contains any factual allegation to which Plaintiff must respond, Plaintiff admits the same.

COUNT ONE

- 8. Plaintiff denies the allegations in paragraph 8.
- 9. Plaintiff denies that Defendant is entitled to the relief requested in paragraph 9.

COUNT TWO

- 10. Plaintiff denies the allegations in paragraph 10.
- 11. Plaintiff denies that Defendant is entitled to the relief requested in paragraph 11.

CHASE BANK'S PRAYER FOR RELIEF

Plaintiff denies that Capital One is entitled to the relief requested.

JURY DEMAND

Pursuant to Rule to Rule 38 of the Federal Rules of Civil Procedure, NextCard likewise demands trial by jury of all issues so triable.

NEXTCARD'S PRAYER FOR RELIEF

In addition to the relief requested in Plaintiff's Original Complaint, Plaintiff NextCard, LLC respectfully request a judgment against Chase Bank as follows:

- A. That Chase Bank take nothing by its Counterclaims;
- B. That the Court award NextCard its costs and attorneys' fees incurred in defending against these counterclaims; and
- C. Any and all further relief for NextCard as the Court may deem just and proper.

Dated: August 2, 2010 Respectfully Submitted,

By: /s/ George Scott

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ATTORNEYS FOR PLAINTIFF NEXTCARD, LLC,

CERTIFICATE OF ELECTRONIC SERVICE

This is to certify that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) today, August 2, 2010. Any other counsel of record will be served by postage paid, certified first class mail, return receipt requested.

/s/ George Scott